

**NOTICE**

NOTICE is hereby given that 30<sup>th</sup> Annual General Meeting of the shareholders of M/s Paul Merchants Limited will be held on Friday, the 26<sup>th</sup> day of September, 2014 at 11.00 A.M. at the Balley Balley Banquet, I-1, Kailash Park, Opp. Kirti Nagar Bus Stand, New Delhi- 110015, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Smt. Sarita Rani Bansal, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint a Director in place of Sh. Rajneesh Bansal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification(s) as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the retiring Auditors M/s Jain & associates, Chartered Accountants, SCO 819-20 Sector 22-A, Chandigarh (Firm Regn. No. 01361N) be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this next Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration plus Service tax as applicable, to be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

5. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 94 (1) of the Companies Act, 2013, and other applicable provisions, if any, of the

Companies Act and the Rules and Regulations as may be prescribed under the Act, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register & Index of Members of the Company, share transfer books, other Registers required to be kept & maintained by the Company u/s 88 of the Act and copies of all the Annual Returns filed by the Company under Section 92 of the Companies Act, 2013 and Section 159 of the Companies Act, 1956 together with copies of all certificates and documents required to be annexed or attached thereto or any one or more of them be kept, at PML House, SCO 829-830, Sector 22-A, Chandigarh, the Corporate Office of the Company, which is a place other than the registered office of the Company

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board be and is hereby authorized to do all such acts, deeds and things including filing of e-forms as are required and to settle any question, difficulty or doubt that may arise in this regard in such manner as the Board may deem fit and proper in its absolute discretion to be most beneficial to the Company”.

**6. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. Ajay Kumar Arora (DIN 00314161), who was appointed as an additional Director (Independent Director) of the Company on 27-05-2014 by the Board of Directors, who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2018-19.

**7. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time

being in force and Clause 49 of the Listing Agreement, Mr. Tarsem Garg (DIN 00454657), who was appointed as an additional Director (Independent Director) of the Company on 27-05-2014 by the Board of Directors, who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2018-19.

**8. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the Provisions of Sections 149, 152, 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force, Mr. Surinder Singh Bedi (DIN 06932337), who was appointed as an additional Director designated as Whole Time Director of the Company on 04-08-2014 by the Board of Directors, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as Whole Time Director of the Company, liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2018-19 on a remuneration of Rs. 9,20,000/- (Rupees Nine Lacs Twenty Thousand Only) per Annum w.e.f. 04-08-2014.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, alter or modify the terms of above remuneration as may be agreed to by the Board of Directors and Mr Surinder Singh Bedi.”

**9. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time

being in force and Clause 49 of the Listing Agreement, Mr. VIGYAN ARORA (DIN 00806647), who is serving as an Independent Director of the Company and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2018-19.

**10. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the Provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. DILBAG SINGH SIDHU (DIN 05210193), who is serving as an Independent Director of the Company and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term upto the Annual General Meeting for the Financial Year 2018-19.

**11. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act (including any Statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for re-appointment of **Mr. Sat Paul Bansal** as Chairman Cum Managing Director of the company for a period of 5 years commencing from 01-04-2014 and ending with 31-03-2019 on a remuneration by way of commission @ 6.5 % of the Net Profits of the Company earned during a financial year and computed in terms of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Mr. Sat Paul Bansal Chairman Cum Managing Director of the company, will be paid an on-account amount of Rs 15,00,000/- (Rupees Fifteen Lacs Only) per month during the term of his appointment.

**RESOLVED FURTHER THAT** in case on finalization of the audit of Annual Accounts of the Company in any Financial Year, the amount of 6.5% of the Net profits is calculated to be higher or lower than the amount already paid to Mr. Sat Paul Bansal, the differential of plus or minus as the case may be shall be paid/adjusted at the time of finalization of the audit of Annual Accounts of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Sh. Sat Paul Bansal will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Schedule V of the Act by making such compliances as provided in the said Schedule.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, alter or modify the terms of above remuneration as may be agreed to by the Board of Directors and Shri. Sat Paul Bansal.”

**12. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the Provisions of Section 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act (including any Statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for payment of revised remuneration to **Mr. Rajneesh Bansal**, Executive Director by way of commission @ 2 % of the Net Profits of the Company earned during a financial year and computed in terms of Section 198 of the Companies Act, 2013 w.e.f. 01-04-2014.

**RESOLVED FURTHER THAT Mr. Rajneesh Bansal**, Executive Director of the company, will be paid an on-account amount of Rs 5,00,000 per month (Rupees Five Lacs Only) during the term of his appointment.

**RESOLVED FURTHER THAT** in case on finalization of the audit of Annual Accounts of the Company in any Financial Year, the amount of 2 % of the Net profits is calculated to be higher or lower than the amount already paid to **Mr. Rajneesh Bansal**, the differential of plus or minus as the case may be shall be paid/adjusted at the time of finalization of the audit of Annual Accounts of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, **Mr. Rajneesh Bansal** will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified



under Schedule V of the Act by making such compliances as provided in the said Schedule.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, alter or modify the terms of above remuneration as may be agreed to by the Board of Directors and Shri. Rajneesh Bansal.”

**13. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act (including any Statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded to appointment of **Mrs. Sarita Rani Bansal** as Whole Time Director of the company for a period of 5 years commencing from 01-04-2014 and ending with 31-03-2019 on a remuneration of Rs. 2,00,000/- (Rupees Two Lacs Only) per month w.e.f. 01-04-2014.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mrs. Sarita Rani Bansal will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Schedule V of the Act by making such compliances as provided in the said Schedule.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, alter or modify the terms of above remuneration as may be agreed to by the Board of Directors and Mrs. Sarita Rani Bansal.”

**14. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 185 (1) (a) (ii) and all other applicable provisions, if any, of the Companies Act, 2013 (including any Statutory modification(s) or re-enactment thereof for the time being in force), a Loan Scheme for Managing & Whole Time Directors of the Company, as initialed by the Chairman and placed before the Meeting by way of an Annexure to the explanatory statement, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the terms of the Scheme in accordance with the provisions of Companies Act, 2013 from time to time.”

**15. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), the Articles of Association of the Company be and are hereby altered by replacing all the existing Regulations with the new Regulations, a copy of which is annexed to the explanatory statement to this Notice, and adopted as new Regulations of the Articles of Association of the Company.”

“**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorised to do all such acts, matters, deeds and things as are necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution, including but not limited to the filing of necessary eforms with the Ministry of Corporate Affairs and to comply with all other requirements in this regard.”

**16. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** consent of the Company be and is hereby accorded under the provisions of Section 180 (1)(a) of the Companies Act, 2013, to the Board of Directors to hypothecate, mortgage, create lien and /or other encumbrances in addition to the mortgages/charges etc. already created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as they deem fit, on all or any of the moveable and or immoveable properties of the Company both present and future and/or on the whole or any part of the undertaking(s) of the Company as the Board may determine to secure the sum or sums of money borrowed or to be borrowed aggregating upto Rs. 300 crores (Rupees Three Hundred Crores only) at one time by the Company from banks, Financial Institutions etc.

**17. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to Section 180 (1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs. 300 Crores (Rupees Three Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

Place: Chandigarh

Date: August 4, 2014

By order of the Board of Directors

for **PAUL MERCHANTS LIMITED**

**SD/-  
HARDAM SINGH  
(COMPANY SECRETARY)**



**NOTES:**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- (2) The proxy form to be valid and effective should be received by the company at its registered office not less than 48 hours before the commencement of meeting.** A proxy shall not have a right to speak at the Meeting and shall not be entitled to vote except on a poll. A person appointed as Proxy shall act on behalf of not more than 50 Members and holding not more than 10 percent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or Member.
- (3) The Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of item Nos. 5 to 17 of the Notice convening the Meeting is annexed hereto.
- (4) Brief Resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationship inter se as stipulated under Clause 49 of the listing agreement are provided as a part of the Corporate Governance Report forming part of this Annual Report.
- (5) Members are requested to bring their attendance slip along with copy of Annual Report to the Meeting.
- (6) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 19-09-2014 to 26-09-2014 (both days inclusive) for the purpose of AGM.
- (7) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (8) Relevant documents referred in the accompanying Notice and the Statement are open for inspection by the Members at the Registered office of the Company on all working days during business hours upto the date of meeting.
- (9) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronics form are, therefore,

requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA M/s Alankit Assignments, New Delhi.

- (10) In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2013-14 are being sent by e-mail to those Members who have registered their e-mail address with the Company in respect of shares held in physical form or with their Depository Participant (DP) in respect of shares held in electronic form and made available to the Company by the Depositories.
- (11) The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- (12) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
- (13) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA of the Company M/s Alankit Assignments, for consolidation into a single folio.
- (14) Members are advised to refer to the Shareholders Referencer provided in the Annual Report.
- (15) The Annual Report for F.Y. 2013-14 of the Company circulated to the Members of the Company, will be made available on the Company’s website at [www.paulmerchants.in](http://www.paulmerchants.in).
- (16) In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the Meeting.
- (17) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

(18) **E-VOTING:**

In terms of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules , 2014, the items of Business given in the Notice of Annual General Meeting may be transacted through electronic voting system and the Company is providing e-

voting facility to the members who are members as on 29-08-2014 (End of Day) being the “Record Date” fixed for the purpose of exercising their right to vote at the Annual General Meeting by electronic means through the e-voting platform provided by Central Depository Services Limited (CDSL).

E-voting period starts from Saturday, September 20, 2014 at 9:00 A.M. and ends on Monday, September 22, 2014 at 5:00 P.M. The e-voting module will be disabled after 5:00 P.M. on Monday, September 22, 2014 for voting by shareholders. Mr. Kanwaljit Singh Thanewal, Practising Company Secretary (F 5901) has been appointed as scrutinizer to scrutinize the evoting process in fair and transparent manner.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-**

**IN CASE OF MEMBERS RECEIVING AN E-MAIL:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now select “Paul Merchants Limited” from the drop down menu and click on “SUBMIT”.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification Code as displayed and Click on Login.
- (vi) If You are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing passwords is to be used.
- (vii) If you are a first time user follow the steps given below.

Now, fill up the following details in the appropriate boxes:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB*	Enter the Date of Birth as recorded in your demat account or in the Company

	Records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.  *Please enter the DOB or Dividend Bank Details in order to login. Incase both the details are not recorded with the depository and Company please enter the member id/folio number in the Dividend Bank Details field.

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. Incase the sequence number is less than 8 digits enter the applicable numbers of 0's before the number after the first two characters of the name. Sequence number has been provided as Serial number in the address Label. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA000000001 in the PAN filed.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for the relevant "Paul Merchants Limited" on which you choose to vote.
- (xii) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO

as desired. The option YES implies that you assent to the resolution and NO implies that you dissent to the Resolution.

- (xiii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forget Password & enter the details as prompted by the system.
- (xviii) Institutional Shareholders  
Institutional shareholders “(i.e., other than Individuals, UF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.



In case of members receiving the physical copy:

- (A) Please follow all steps from Sr. No. (i) to Sr. No. (xviii) above to cast vote.
- (B) The voting period begins on Saturday, September 20, 2014 at 9:00 A.M. and ends on Monday, September 22, 2014 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29-08-2014 may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Place: Chandigarh  
Date: August 4, 2014

By order of the Board of Directors  
for **PAUL MERCHANTS LIMITED**

**SD/-  
HARDAM SINGH  
(COMPANY SECRETARY)**

**EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 5**

The Register of Members, Index of Members, Annual Returns and Transfer Books of the Company are presently kept at the Regd office of the Company situated at FF-1, FF-1A, FF-1B and FF-1C, 1<sup>st</sup> Floor, 11/5-B, Pusa Road, New Delhi. As the Corporate office of the Company is situated at PML House, SCO 829-830, Sector 22-A, Chandigarh and a big number of shareholders of the Company also reside in the city of Chandigarh, it is proposed that said Registers and Returns should be kept at the Corporate office of the Company for the convenience of shareholders and for better management of records of the Company. As on 04-08-2014, there are total 370 shareholders in the Company and out of this, 68 reside in Chandigarh which is more than one tenth of total number of shareholders as required under Section 94 of the Act. Section 94 further requires that for keeping the said Registers and Returns at a place other than the registered office of the Company, the approval of the shareholders of the company is required by way of a Special resolution in the general meeting. Your directors therefore recommend the resolution to be passed as Special resolution in the ensuing Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 of the Notice

**ITEM NO. 6 & 7**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, had appointed Shri Ajay Kumar Arora and Sh. Tarsem Garg as Additional Directors of the Company with effect from 27-05-2014.

In terms of the provisions of Section 161 (1) of the Act, Shri Ajay Kumar Arora and Sh. Tarsem Garg would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Ajay Kumar Arora and Sh. Tarsem Garg for the office of Directors of the Company.

Shri Ajay Kumar Arora and Sh. Tarsem Garg are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received declarations from Shri Ajay Kumar Arora and Sh. Tarsem Garg that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Ajay Kumar Arora and Sh. Tarsem Garg possess appropriate skills, experience and knowledge; inter alia, in the field of Corporate Law and Corporate Affairs.

In the opinion of the Board, Shri Ajay Kumar Arora and Sh. Tarsem Garg fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Ajay Kumar Arora and Sh. Tarsem Garg are independent of the management.

Brief resumes of Shri Ajay Kumar Arora and Sh. Tarsem Garg, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Delhi Stock Exchange, are provided as a part of the Corporate Governance Report forming part of this Annual Report.

Keeping in view their vast expertise and knowledge, it will be in the interest of the Company that Shri Ajay Kumar Arora and Sh. Tarsem Garg are appointed as Independent Directors.

Copies of the draft letters of appointment of Shri Ajay Kumar Arora and Sh. Tarsem Garg as Independent Director setting out the terms and conditions of their appointment are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Delhi Stock Exchange.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 6 & 7 of the Notice, except the appointee Directors.

The Board recommends the Ordinary Resolutions set out at Item No. 6 & 7 of the Notice for approval by the shareholders.

**ITEM NO. 8**

The Board of Directors of the Company, pursuant to the provisions of Section 161(1), 196, 197, 198 Schedule V of the Companies Act, 2013 of the Act and the Articles of Association of the Company, had appointed Shri Surinder Singh Bedi as Additional Director of the Company designated as Whole Time Director with effect from 04-08-2014. The Board had fixed the remuneration of Shri Surinder Singh Bedi @ Rs. 9,20,000/- per annum (Rupees Nine Lacs Twenty Thousand Only) w.e.f. 04.08.2014

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Whole Time Directors and fixation/increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. Therefore, the appointment of Shri Surinder Singh Bedi as Whole Time Director of the Company and fixation of his salary is subject to approval of the Members of the Company. Therefore your Directors recommend the Resolution set out at Item no. 8 to be passed as Special Resolution.

In terms of the provisions of Section 161 (1) of the Act, Shri Surinder Singh Bedi would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Surinder Singh Bedi for the office of Director of the Company.

Shri Surinder Singh Bedi is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

Brief resume of Shri Surinder Singh Bedi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided as a part of the Corporate Governance Report forming part of this Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interests of the Company that Shri Surinder Singh Bedi is appointed as Whole Time Director of the Company.

Copy of the draft letter of appointment of Shri Surinder Singh Bedi as Whole Time Director setting out the terms and conditions, is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice, except the appointee Director.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

### **ITEM NO. 9 & 10**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered with the Stock Exchange, had appointed Sh. Vigyan Arora and Sh. Dilbag Singh Sidhu as Independent Directors of the Company at various times, in compliance with the requirements of the said clause. After coming into force, Section 149 of the Companies Act, 2013 provides that Independent Directors shall hold office for term up to 5 (Five) consecutive years. The Board of Directors of the Company, have therefore, decided to appoint all the existing Independent Directors i.e. Sh. Vigyan Arora and Sh. Dilbag Singh Sidhu for a term of 5 (Five) consecutive years.

Further, as per the provisions of Section 149, Independent Directors are not liable to retire by rotation. Therefore, in terms of this provision, the Independent Directors of the Company shall not be liable to retire by rotation.

The Company has received a notice in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Vigyan Arora and Sh. Dilbag Singh Sidhu for the office of Directors of the Company.

Sh. Vigyan Arora and Sh. Dilbag Singh Sidhu are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consents to act as Directors.

Section 149 of the Act inter alia stipulates the criteria of independence, should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received declarations from Shri Vigyan Arora and Sh. Dilbag Singh Sidhu that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Vigyan Arora and Sh. Dilbag Singh Sidhu possess appropriate skills, experience and knowledge; inter alia, in the field of Corporate Law and Corporate Affairs.



In the opinion of the Board, Shri Vigyan Arora and Sh. Dilbag Singh Sidhu fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Vigyan Arora and Sh. Dilbag Singh Sidhu are independent of the management.

Brief resumes of Shri Vigyan Arora and Sh. Dilbag Singh Sidhu, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided as a part of the Corporate Governance Report forming part of this Annual Report.

Keeping in view their vast expertise and knowledge, it will be in the interest of the Company that Shri Vigyan Arora and Sh. Dilbag Singh Sidhu are appointed as Independent Directors for a term of 5 (Five) consecutive years.

Copies of the draft letters of appointment of Shri Vigyan Arora and Sh. Dilbag Singh Sidhu as Independent Directors setting out the terms and conditions of their appointment are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 9 & 10 of the Notice, except the appointee Directors.

The Board recommends the Ordinary Resolutions set out at Item No. 9 & 10 of the Notice for approval by the shareholders.

#### **ITEM NO. 11**

The present term of Sh. Sat Paul Bansal, Chairman cum Managing Director of the Company was valid upto 31.03.2014. The Board of Directors of the Company had, subject to the Provisions of Sections 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, re-appointed Mr. Sat Paul Bansal as the Chairman cum Managing Director of the Company for a period of 5 years w.e.f. 01-04-2014, subject to approval of shareholders and subject to alternation in Articles of Association of the Company. The Board had fixed the remuneration of Sh. Sat Paul Bansal @ 6.5% of the Net Profits of the Company earned during a financial year and computed in terms of Section 198 of the Act, subject to payment of an on-account amount of Rs. 15,00,000/- (Rupees Fifteen Lacs Only) per month w.e.f. 01-04-2014.

Further, during the tenure Sh. Sat Paul Bansal will turn more than 70 years of age. However, he is very active in managing the affairs of the Company and keeps fit & healthy. He has valuable & matchless contribution towards the growth of the Company. His continuance as Chairman cum Managing Director of the Company will be highly beneficial for the Company.

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Managing Director/Whole Time Directors and increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. Therefore, the re-appointment of Sh. Sat Paul Bansal as Chairman cum Managing Director of the Company and fixation of his salary is subject to approval of the Members of the Company. Therefore your Directors recommend the Resolution set out at Item no. 11 to be passed as Special Resolution.

The Directors Mr. Sat Paul Bansal, Mr. Rajneesh Bansal, Mrs. Sarita Rani Bansal and Mr. Sandeep Bansal may be treated as interested in this resolution as members of the same family. No other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice

#### **ITEM NO. 12**

The Board of Directors of the Company had, subject to the Provisions of Sections 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, re-structured the remuneration of Mr. Rajneesh Bansal, the Executive Director of the Company @ 2 % of the Net Profits of the Company earned during a financial year and computed in terms of Section 198 of the Act, subject to payment of an on-account amount of Rs. 5,00,000/- (Rupees Five Lacs Only) per month w.e.f. 01-04-2014.

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Managing Director/Whole Time Directors and increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. The said revision in the remuneration of Mr. Rajneesh Bansal, Executive Director w.e.f. 01-04-2014 is subject to approval of the Members of the Company. Therefore your Directors recommend the Resolution set out at Item no. 12 is to be passed as Special Resolution.

The Directors Mr. Sat Paul Bansal, Mr. Rajneesh Bansal, Mrs. Sarita Rani Bansal and Mr. Sandeep Bansal may be treated as interested in this resolution as members of the same family. No other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 12 of the Notice

**ITEM NO. 13**

The Board of Directors of the Company had, subject to the Provisions of Sections 196, 197, 198 and all other applicable Provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, appointed Mrs. Sarita Rani Bansal as the Whole Time Director of the Company for a period of 5 years w.e.f. 01-04-2014, subject to approval of shareholders. The Board had fixed the remuneration of Mrs. Sarita Rani Bansal @ Rs. 2,00,000/- per month (Rupees Two Lacs Only) w.e.f. 01.04.2014

As per the requirements of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/re-appointment of the Whole Time Directors and fixation/increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. Therefore, the appointment of Mrs. Sarita Rani Bansal as Whole Time Director of the Company and fixation of her salary is subject to approval of the Members of the Company. Therefore your Directors recommend the Resolution set out at Item no. 13 to be passed as Special Resolution.

The Directors Mr. Sat Paul Bansal, Mr. Rajneesh Bansal. Mrs. Sarita Rani Bansal and Mr. Sandeep Bansal may be treated as interested in this resolution as members of the same family. No other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 13 of the Notice

**ITEM NO. 14**

In terms of provisions of Section 185 of the Companies Act, 2013 no Company shall, directly or indirectly, advance any loan to its Directors. The said Section further provides that nothing in the said Section shall apply to the giving of any loan to a Managing Director or Whole Time Director pursuant to any scheme approved by the Members by a Special Resolution. The Board of Directors have submitted the draft Loan Scheme for the approval of the shareholders of the company by way of a Special resolution, which is annexed as **Annexure – A** to this Explanatory Statement.

The Directors who are in whole time employment of the Company, may be in the need of funds from time to time and the Company wishes to formulate a scheme to advance loans to the Directors of the Company subject to provisions of Companies Act, 2013, Memorandum of Association and Articles of Association of the Company. Your Directors recommend the Resolution set out at Item no. 14 to be passed as Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 14 of the Notice, except the Managing or whole Time Directors of the Company, to whom the Company may extend loans in future pursuant to this scheme.

**ITEM NO. 15**

The Existing regulations 1 to 137 of the Articles of Association are proposed to be replaced by the new set of regulations and adopted as new set of Articles of Association. The modification in the Articles of Association is necessary to be carried out to give effect to the provisions of the Companies Act, 2013. New set of Regulations of Articles of Association is attached herewith as **Annexure- B** to this Explanatory Statement. This would result in alteration of Articles of Association of the Company and pursuant to the provisions of Section 14 of the Companies Act, 2013 alteration of Articles of Association requires approval of the members of the Company by way of passing a Special Resolution at a General Meeting.

The Board of Directors, therefore, recommend passing of the resolution as set out at Item no. 15 of the Notice as a Special Resolution.

Mr. Sat Paul Bansal, Mr. Rajneesh Bansal, Mrs Sarita Rani Bansal and Mr. Sandeep Bansal may be deemed to be interested in the resolution so far it concerns inclusion of an Article in the Articles of Association providing for appointment of same individual as Chairman and Managing Director of the Company. None of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 15 of the Notice.

**ITEM NO. 16**

Section 180 (1) (a), inter alia, provides that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, only with the consent of the company by a special resolution.

Since, such steps may have to be taken at times, during the course of business, the approval of Members is sought by way of passing the required Special Resolution as set out at item no. 16.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 16 of the Notice.

**ITEM NO. 17**

Section 180 (1) (C), inter alia, provides that the Board of Directors of a company shall exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, only with the consent of the company by a special resolution.

Since, the borrowings of the Company may exceed the said limits at times, during the course of business, the approval of Members is sought by way of passing the required Special Resolution as set out at item no. 17.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 17 of the Notice.

Place: Chandigarh  
Date: August 4, 2014

By order of the Board of Directors  
For **PAUL MERCHANTS LIMITED**

**SD/-  
HARDAM SINGH  
(COMPANY SECRETARY)**



**ANNEXURE – A**

**LOAN SCHEME FOR MANAGING AND WHOLE TIME DIRECTORS**

**1. SHORT TITLE:**

This scheme can be called as Loan Scheme for Whole Time Directors and Managing Director(s) and will come in force w.e.f. the date on which it is approved by the Members of the Company in their General Meeting.

**2. INTRODUCTION:**

The Directors who are in whole time employment of the Company, may be in the need of funds from time to time and the Company wishes to formulate a scheme to advance loans to the Directors of the Company subject to provisions of Companies Act, 2013, Memorandum of Association and Articles of Association of the Company. As per Section 185 of the Companies Act, 2013:-

(1) Save as otherwise provided in this Act, no company shall, directly or indirectly, advance any loan, including any loan represented by a book debt, to any of its directors or to any other person in whom director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person:

Provided that nothing contained in this sub-section shall apply to—

- (a) the giving of any loan to a managing or whole-time director—
  - i. as a part of the conditions of service extended by the company to all its employees; or
  - ii. pursuant to any scheme approved by the members by a special resolution; or
- (b) a company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India.

Therefore, the present scheme is proposed to be approved by the Members of the Company u/s 185 (1) (a) (ii) of the Act.

**3. OBJECTIVES OF THE SCHEME**

The Personal Loan Scheme outlined below aims at providing financial support from the Company to Whole Time Director(s) and Managing Director(s) of the

Company for meeting their personal needs so that a convenient and faster mode of finance can be extended to them in deserving circumstances.

#### **4. APPLICABILITY OF THE SCHEME:**

The scheme detailed below, once approved by the Members of the Company, will be applicable to:

- a. Managing Director(s) of the Company
- b. Whole Time Directors of the Company

#### **5. PURPOSE OF LOAN :**

The Whole Time Directors of the Company and Managing Director may avail the loan facility for following purposes:

1. Bonafide Household needs
2. For purchase or construction of home
3. For undertaking any foreign visit
4. For buying any Vehicle
5. For medical purpose

Note: The above list is indicative in nature. The Board of Directors or any Committee authorized by it, will be authorized to approve loans for any other lawful and genuine reason as it thinks fit.

#### **6. QUANTUM OF LOAN:**

The Audit Committee of the Board will fix, increase, decrease the maximum limits of loans for each Whole Time Director and Managing Director(s) of the Company and the said limits will be subject to review from time to time, subject of course to the restrictions placed by the Companies Act, 2013. To begin with, following limits are proposed:

- a. For Managing Director: Not exceeding Rs. 5.00 crores in aggregate
- b. For each Whole Time Director: Not exceeding Rs. 3.00 crores in aggregate

Note: Any advance payment of the salary will not be taken into account for the purpose of arriving at the above ceilings.

#### **7. OTHER CONDITIONS FOR THE LOANS**

- a. The loan documents should be executed by the concerned Director prior to disbursement of the loan.

- b. The borrower will be liable to pay the EMI which will include, principal and interest punctually on time and in case of delay in repayment of any installment, a penal rate of interest @ 2% per month will be charged by the Company.
- c. The Company will never waive off the recovery of loan, interest or penal interest from directors
- d. In case, any Borrower fails to repay the loan after reasonable efforts made by the Company, the Company will initiate appropriate legal proceedings against the borrower without any unreasonable delay.
- e. In case any Director, to whom the loan under this scheme has been provided, vacates the office of directorship in the Company or ceases to be in full time employment of the Company, for any reason, he will repay the loan along with interest accrued till date to the Company within 7 days from the date of vacating his office.
- f. On regular basis, the Company will put before the Audit Committee and Board of Directors, the details pertaining to:
  - i. loans extended by the Company
  - ii. Loans repaid, if any, by the Directors
  - iii. Punctuality/delay in repayment of EMIs

**8. RATE OF INTEREST :**

- a. Interest to be charged on the amount of loans extended to Whole Time Directors and Managing Director(s) under this scheme will be as decided by the Audit Committee from to time, however, it will not be less than the Bank rate declared by the Reserve Bank of India at the time of making the loan.
- b. Simple rate of interest will be charged on the amount of loans.
- c. There will not be any foreclosure charges in case any loan is repaid before the expiry of the term.

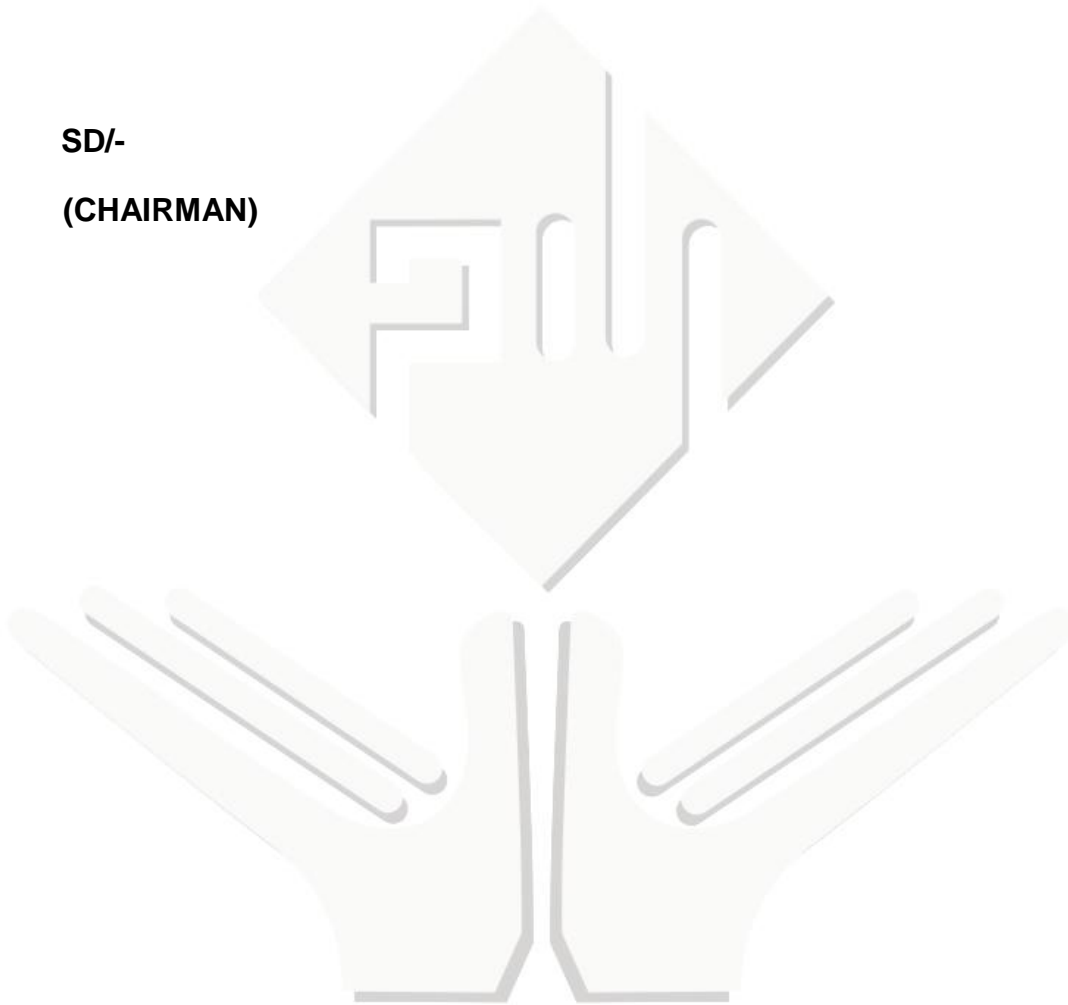
**9. REPAYMENT: The maximum term for which the loans can be provided under this scheme will be as follows:**

- i. For Loans up to Rs. 3.00 crores 5 years
- ii. For Loans above Rs. 3.00 crores 7 years

The above period may be increased or decreased by the Board of Directors on recommendation of the Audit Committee.

Note: No prepayment penalty will be levied for prepayment of loan at any time during the repayment period.

**SD/-**  
**(CHAIRMAN)**



**ANNEXURE – B**

**PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION OF**

**PAUL MERCHANTS LIMITED**

***Interpretation***

I. In these regulations—

- (a) "the Act" means the Companies Act, 2013,
- (b) "the seal" means the common seal of the company.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

***Share capital and variation of rights***

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - (c) Shares directly in his demat account at his option
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(In respect of any share or shares held jointly by several persons, the



company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.  
(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares

ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

***Lien***

9. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
  - (c) that the fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
Provided that no sale shall be made—
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in

payment of such part of the amount in respect of which the lien exists as is presently payable.

- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### ***Calls on shares***

- 13.** (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - (ii) Each member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
  - (iv) option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting :
- 14.** A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
  - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 17.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

(iii) any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared,

**18. The Board—**

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

***Transfer of shares***

- 19.** (i) The company shall use a common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 20.** The Board may, subject to the right of appeal conferred by section 58 decline register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
- 21.** The Board may decline to recognise any instrument of transfer unless—
- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) The instrument of transfer is in respect of only one class of shares.
- 22.** On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

***Transmission of shares***

- 23.** (i) On the death of a member, the survivor or survivors where the member was a joint

holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### ***Forfeiture of shares***

27. If a member fails to pay any call, or instalment of a call, on the day appointed for



payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

- 28.** The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date service of the notice) on or before which the payment required by the notice is to made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares respect of which the call was made shall be liable to be forfeited.
- 29.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 30.**
- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 31.**
- (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
  - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 32.**
- (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
  - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share.
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 33.** The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

***Alteration of capital***

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to any incident authorised and consent required by law—
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

***Capitalisation of profits***

38. (i) The company in general meeting may, upon the recommendation of the Board,

resolve—

- (a that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards

(A paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).

(D A securities premium account, Free Reserves (except reserves created by revaluation of assets) and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares, subject to Section 63 of the Act.

(E The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**39.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- (a make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a to make such provisions, by the issue of fractional certificates or by payment cash or otherwise as it thinks fit, for the case of shares becoming distributable fractions; and

(b to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or

any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

***Buy-back of shares***

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

***DEMATERIALIZATION OF SECURITIES***

41 For the purpose of this article:

- a) "Beneficial owner" means a person whose name is recorded as such with a depository.
- b) "Depository Act" means the Depository Act, 1996 and any statutory modification or re-enactment thereof for the time being in force.
- c) "Depository" means a Company formed and registered under the Companies Act 1956 and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992.
- d) "Security" or Securities means such security as may be specified by the Securities and Exchange Board of India from time to time.
- e) "Member" means the duly registered holder from time to time of the shares of the company and includes every person whose name is entered as a beneficial owner in the records of the depository.

42 a. Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act.

b. Every person subscribing to the securities offered by the company shall have the option to receive the security certificate or hold the securities with a depository. Such a person who is beneficial owner of the securities can at any time opt out of a depository if permitted by the law, in respect of any security in the manner provided by the Depositories Act and the Company shall in the manner & within the time prescribed, issue to the beneficial owner the required certificate of securities. If a person opts to hold his security with the depository the company shall intimate such depository the details of allotment of the security and on receipt of such information the depository shall enter in its records, the name of the allottee as the beneficial owner of the security.

c. All securities held by a depository shall be dematerialized and shall be in fungible form, subject to and in accordance with the provisions of Section 9 of the Depository Act. Nothing contrary contained in the Companies Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

d. Notwithstanding anything to the contrary contained in these articles and subject to and

in accordance with the provisions of the Depositories Act, a depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

- e. Save as otherwise provided as above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- f. Every person holding equity share capital of the company and whose name is entered as the beneficial owner in records of the depository shall be deemed to be a member of the company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- g. Notwithstanding anything to the contrary contained in these articles and subject to and in accordance with the provisions of the Depositories Act where securities are held in a depository the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.
- h. Notwithstanding anything to the contrary contained in these articles and the Companies Act, 2013, provisions of these articles relating to transfer of securities shall not apply to transfer of securities effected by a transfer and/or transferee both or either of whom are entered as beneficial owners in the record of a depository.
- i. Notwithstanding anything contained in these articles where the securities are dealt with in a depository the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.
- j. Nothing contained in these articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held with a depository.
- k. The register and index of beneficial owners maintained by a depository under the Depositories Act shall also be deemed to be the Register and Index of Members and Register and Index of Debenture holders as the case may be for the purpose of these articles.
- l. Except as specifically provided in the Articles the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in depository so far as they apply to these shares held in physical form subject to the provisions of the Depository Act.

### ***General meetings***

- 43. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 44. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible,



as that in which such a meeting may be called by the Board.

### ***Proceedings at general meetings***

45. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
46. The chairperson, if any, of the Board shall preside as chairperson at every general meeting of the company.
47. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
48. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### ***Adjournment of meeting***

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.  
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.  
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### ***Voting rights***

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and  
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. The Company may appoint any Agency/Person to carry out the process as per the Act.

52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56. (i) No objection shall be raised to the qualification of any voter except at the meeting ) or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (i) Any such objection made in due time shall be referred to the chairperson of the i) meeting, whose decision shall be final and conclusive.

***Proxy***

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

***Board of Directors***

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
61. (i) The Managing Director and Whole Time Directors may be paid such

remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act, 2013. The Company may pay remuneration to its other Directors in accordance with the provisions of the Act. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
    - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
    - (b) in connection with the business of the company.
  - (iii) The Company may pay sitting fee to the Directors for attending the meetings of the Board & its Committee(s) subject to & in accordance with the provisions of the Act.
- 62.** The Board may pay all expenses incurred in getting up and registering the company.
- 63.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 64.** All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 65.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 66.** The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act. However, the Managing Director of the Company shall not be liable to retire by rotation.
- 67.** Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.
- 68.** The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.  
b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities

and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.

c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

d. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

- 69.**
- (i) The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of all of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.
  - (ii) The Board may designate any director of the Company as Chairman of the Board. The Managing Director of the Company may also, if the Board so decides, be appointed as Chairman & Managing Director of the Company, subject to compliance with the applicable provisions of the Companies Act, 2013.
  - (iii) Subject to the provisions of section 149, 161 & other applicable Sections of the Act, Board of Directors of a company may, appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:  
Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act  
  
Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:
  - (iv) Subject to the provisions of section 149, 161 & other applicable Sections of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as

a director at that meeting subject to the provisions of the Act.

- (v) Subject to the provisions of section 149, 161 & other applicable Sections of the Act, Board of Directors of a company may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement . Further, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board

### ***Proceedings of the Board***

- 70.** (i) The Board of directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
  - (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
  - (iii) The quorum necessary for the transaction, of the business of the Board meeting ) subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum.
- 71.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
  - (ii) In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.
- 72.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 73.** (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.
  - (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 74.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - (ii) Any committee so formed shall, in the exercise of the powers so delegated,



conform to any regulations that may be imposed on it by the Board.

75. (i) A committee may elect a Chairperson of its meetings.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
76. (i) A committee may meet and adjourn as it thinks fit.  
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
77. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
78. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
79. The Board may also pass a Resolution by way of circulation subject to & in accordance with the relevant provisions of the Act.
- The Board may take any step, do any thing and cause anything to be done by the Company so as to give effect to any provision of Listing Agreement, Companies Act, SEBI Guidelines or any other Statutory Rule, Regulation, Guidelines or a Court Order. All those matters, which have not been expressly provided for in these Articles, will be governed by the Provisions of the Act and Rules, Regulations framed thereunder.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

80. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary

or chief financial officer.

81. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***The Seal***

82. (i) The Board shall provide for the safe custody of the seal.  
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least One directors or such other person as the Board may appoint for the purpose; and the said director or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***BORROWING POWERS***

83. Subject to section 73 and 179 of the Act and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors subject to compliance with the requisite Provisions of the Act.
84. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time Dividends and Reserve

***OPERATION OF BANK ACCOUNTS***

85. The Directors shall have the power to open bank accounts in the name of the Company, to sign cheques on behalf of the Company, to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hudies and bills or may authorise any other person or persons to exercise all said powers.

***DIVIDENDS AND RESERVE***

86. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
87. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the

company.

88. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
89. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
90. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
91. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
92. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
93. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
94. No dividend shall bear interest against the company. There will be no forfeiture of unclaimed dividends before the claim becomes barred by law.

### **Accounts**

95. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **RECONSTRUCTION**

96. On any sale of the undertaking of the company, the Directors of the liquidators on construction winding up may, if authorized by a special resolution accept fully paid or partly paid up shares; debentures or securities of any other company whether incorporated in India or not other than existing or to be formed for the purchase in whole or in part of the property of the Company and the Directors (if the profits of the Company permit, or the Liquidators (in a winding up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property otherwise then in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bounded to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation thereto save only in case the company is proposed to be or is in the course of being wound up, such statutory rights if any under Section 494 of the Act as are incapable of being varied or excluded by these presents.

### **SECRECY**

97. No member or other person (not being a Director) shall be entitled to enter upon the property of the company or to inspect or examine the company's premises or properties of the company without the permission of the Directors, or subject to these Articles to require discovery or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the members of the company to communicate.

### **DIRECTORS RESPONSIBILITY**

98. Subject to the provisions of the Companies Act, 2013 no Director, Managing Director/Whole time Director/Manager/CEO/CFO or the Secretary or any other officer of the company shall be liable for the Acts, Receipts, Negligence of any other

Director or officer for the signing in any receipt of their acts for conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by the order of the directors for or on behalf of the company or for insufficiency or deficiency of any security in or upon which any of the money of the company shall be invested or for any loss or damage arising from bankruptcy, insolvency or turnouts act or any person with whom money, securities effects of the Company shall be invested or for any loss occasioned by the error of judgment or oversight or for any other loss or damage or misfortune whatsoever which shall happen in execution of the duties of such officer or in relation thereto unless the same happened through his own dishonesty and willful neglect.

***Winding up***

**99.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

***Indemnity***

**100.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



S.No.	Name, Addresses Description & Occupation of each subscribers	Signature of Subscriber	Name, Adresse description and Signatures of witnesses
1	<b>Sukhwinder Lal Gupta</b> S/o Shri B.R. Gupta 3/6 D.B. Gupta Road, New Delhi - 110 055 <b>Occupation:</b> Chartered Accountants	Sd/-	I hereby witness the signatures of all subscribers  Sd/- Krishna Kumar s/o Shri B.R. Gupta 3/6 D.B. Gupta Road, Paharganj, New Delhi - 110 055
2	<b>Sarinder Sharma</b> S/o Shri Sardari Lal 266, A.G.C.R. Colony Delhi - 110 092 <b>Occupation:</b> Service	Sd/	
3	<b>Mahesh Kumar Sharda</b> S/o Shri M.I. Sharda KD-9A, Ashok Vihar Phase I Delhi-110 052 <b>Occupation:</b> Service	Sd/	
4	<b>Mahendra Kumar Sharma</b> S/o Sh. M.L. Sharda KD-9A, Ashok Vihar, Phase-1 Delhi - 110 052 <b>Occupation:</b> Chartered Accountants	Sd/	
5	<b>Lalit Kumar Mahana</b> S/o Shri Raj Pal Mahana L-141, Laxman Puri Paharganj New Delhi-110 055 <b>Occupation:</b> Service	Sd/	
6	<b>KedarNath Mehra</b> S/o Shri L.D. Mehra F-5/11, Krishna Nagar, Delhi - 110 051 <b>Occupation:</b> Business	Sd/	
7	<b>Ram Prasad Mandal</b> S/o Shri Jitan Mandal Tamor Nagar New Delhi - 110 092 <b>Occupation:</b> Service	Sd/	

Date: 12-06-1984

Place: New Delhi

SD/-

(CHAIRMAN)

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT, FORMING PART OF THE CORPORATE GOVERNANCE REPORT**

**Name Of Director** Mrs. Sarita Rani Bansal

**Date of Original Appointment:** 31.01.2012

**Date of appointment as Whole Time Director:** 01-04-2014

**Date of Birth** 08.01.1948

**Designation** Whole Time Director

Mrs. Sarita Rani Bansal, who is liable to retire by rotation and being eligible, is proposed to be re-appointed as the Director of the Company.

**Expertise in Specific Functional Area**

Mrs. Sarita Rani Bansal is around 66 years of age and a Graduate in Arts and has been associated with Paul Merchants Limited for over 15 years and served as a Director of the Company from year 1992 to 2007. She was re-appointed as a Director of the Company in 2012. While working with the Company as Director, she has been demonstrating leadership skills, tact and initiative in conjunction with the Company's goals & objectives. As a Director, lends inputs in Human Resource management and administration of the business activities. She is very active in Social World and supports many NGO's involved in upliftment of the poor and education of economically weaker children.

**Qualification:** Graduate in Arts

**List of other Directorships:**

M/s Divya Broadcasting Network (P) Ltd

M/s Paul Fincap Pvt Ltd

M/s Paul E-Commerce Pvt Ltd

M/s Paul Broadcasting Pvt Ltd

M/s Paul Overseas Pvt Ltd

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:** Nil

**Chairman/Member of the Committee of the Directors Of other Companies** Nil

**Shareholding in the Company as on** : Holding 144500 Equity

the date of this report

Shares in her name. No other person is holding any shares in the Company on her behalf on beneficial basis.

(2)

<b>Name of Director</b>	Mr. Rajneesh Bansal
<b>Date of Original Appointment</b>	27.02.1999
<b>Date of Birth</b>	27.07.1974
<b>Designation</b>	Executive Director

Mr. Rajneesh Bansal, who is liable to retire by rotation and being eligible, is proposed to be re-appointed as the Director of the Company.

**Expertise in Specific Functional Area:**

Leadership skill, tact and initiative in Finance, New product lines, IT integration of business model and infra structure development. Displayed exceptional financial prowess in developing the Forex and Travel verticals of the Company in conjunction with the company's goal & objectives.

**Qualification:** MBA

**List of other Directorships:**

Paul Overseas Pvt Ltd  
Paul E-Commerce Pvt Ltd  
Paul energy Projects Pvt Ltd  
Paul Excursions Pvt Ltd  
Talk More Communications Pvt Ltd  
All India Association of Authorised Money Changers and Money Transfer Agents

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

Member of Shareholders Grievance Committee  
Member of Executive Committee  
Member of CSR Committee

**Chairman/Member of the Committee of the Directors**

**Of other Companies**

Nil

**Shareholding in the Company as on the date of this Report**

Holding 141500 Equity Shares  
No other person is holding any shares in the Company on his behalf on beneficial basis.

**3.**

<b>Name of Director</b>	Mr. Ajay Kumar Arora
<b>Date of Appointment</b>	27.05.2014
<b>Date of Birth</b>	27.07.1960
<b>Designation</b>	Independent Director

**Expertise in Specific Functional Area:**

Fellow member of the Institute of Company Secretaries of India, passed in the year 1985 and is also a Law Graduate. Has vast experience of more than 20 years in Corporate Affairs, Corporate Laws, Corporate restructuring, Corporate Governance, Financial matters, decision making process of Board and Company Management in general.

**Qualification:** FCS, LLB

**List of other Directorships:**

M/s Vishal Papertech (I) Ltd  
M/s Samrat Forgings Ltd  
M/s Agro Dutch Ind. Ltd

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

NIL

**Chairman/Member of the Committee of the Directors Of other Companies**

NIL

**Shareholding in the Company as on the date of this Report:** Holding NIL  
Shares either in his own name or by any other person on his behalf

**4.****Name Of Director**

Mr. Sat Paul Bansal

**Date of Appointment:****01.04.2014****Date of Birth****22.07.1947****Designation****Chairman cum Managing Director****Expertise in Specific Functional Area**

Mr. Sat Paul Bansal is around 67 years of age and a Graduate in Arts and has been associated with Paul Merchants Limited for over 24 years. He is the Promoter director of the Company and ever since joining the Company, has been spear heading all the activities of the Company. He has been leading the formulation of strategy, corporate Policy, Corporate objectives and decision making process of Board through his active participation.

**Qualification:**

Graduate in Arts

**List of other Directorships:**

1. Paul Overseas Pvt Ltd
2. Paul Energy Projects Private Limited
3. Paul Fincap Private Limited
4. Paul Excursions Private Limited
5. Paul Insurance Broking Services Pvt. Ltd.

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

Chairman &amp; Member of Executive Committee

Member of CSR Committee

**Chairman/Member of the Committee of the Directors  
Of other Companies**

Nil

**Shareholding in the Company as on  
the date of this report**: Holding 201100 Equity  
Shares in his name. No other

person is holding any shares in the Company on her behalf on beneficial basis.

**5.**



<b>Name of Director</b>	Mr. Tarsem Garg
<b>Date of Appointment</b>	27.05.2014
<b>Date of Birth</b>	05.05.1955
<b>Designation</b>	Independent Director

**Expertise in Specific Functional Area:**

Practicing Chartered Accountant having high profile consultancy business of Real Estate, Infrastructure Development Project, and Mega Integrated Township Projects; Capital Issues, acquisitions, mergers and amalgamation and restructuring of companies. Also a renowned valuer, lawyer and expert in Hotel & Hospitality Industry

**Qualification:** FCA, AICWA, LLB

**List of other Directorships:**

M/s Reig Management Company (P) Ltd  
M/s Chandrayan Infrastructure Developers (P) Ltd  
M/s Kubera Finance Consultancy (P) Ltd  
M/s Mefcom Infrastructure Projects Ltd  
M/s Mefcom Capital Markets Ltd

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

Chairman & Member of Audit Committee

**Chairman/Member of the Committee of the Directors Of other Companies**

NIL

**Shareholding in the Company as on the date of this Report:** Holding NIL  
Shares either by himself or by any other person on his behalf

**6.**

<b>Name of Director</b>	Mr. Surinder Singh Bedi
<b>Date of Appointment</b>	04.08.2014
<b>Date of Birth</b>	17.07.1947
<b>Designation</b>	Whole Time Director

**Expertise in Specific Functional Area:**

Worked with Reserve Bank of India for 40 years & retired as Deputy General Manager, with Personal Promotion as General Manager, on 31<sup>st</sup> July 2007. In RBI

had headed various Departments namely – Foreign Exchange Department, Currency Department, Deptt. of Banking Operations & Development at Lucknow & Chandigarh While in Jammu, had also worked as Personnel Manager For 3 years in RBI

**Qualification:** Bachelor of Arts, Certified Associate of Indian Institute of Bankers (Part I)

**List of other Directorships:**

NIL

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

NIL

**Chairman/Member of the Committee of the Directors Of other Companies**

NIL

**Shareholding in the Company as on the date of this Report:** Holding NIL Shares either by himself or by any other person on his behalf

**7.**

<b>Name of Director</b>	Mr. Vigyan Arora
<b>Date of Original Appointment</b>	01.04.2010
<b>Date of Birth</b>	19.11.1969
<b>Designation</b>	Independent Director

**Expertise in Specific Functional Area:**

Mr. Vigyan Arora is a Chartered Accountant by profession and is having a rich & varied experience of 16 years. He is 40 years of age and lives in Panchkula (Haryana) His expertise is in Finance, Accounts and Taxation. He had been appointed as Non-Executive Independent Director of the Company. w.e.f. 01.04.2010. He is also serving as Chairman of the Shareholders Grievance Committee, member of the Audit Committee, Nomination cum Remuneration Committee and CSR Committee.

**Qualification:** Chartered Accountant

**List of other Directorships:**

M/s Pan Plast (P) Ltd.

M/s Quebec Consulting (P) Ltd.

**Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:**

Member of Audit Committee  
 Chairman & Member of Shareholders Grievance Committee  
 Member of Nomination cum Remuneration Committee  
 Member of CSR Committee

**Chairman/Member of the Committee of the Directors Of other Companies**

NIL

**Shareholding in the Company as on the date of this Report:** Holding NIL  
 Shares either by himself or by any other person on his behalf

8.

<b>Name Of Director</b>	Mr. Dilbag Singh Sidhu
<b>Date of Original Appointment</b>	26.02.2012
<b>Date of Birth</b>	15.04.1946
<b>Designation</b>	Independent Director

**Expertise in Specific Functional Area**

Mr. Dilbag Singh Sidhu is a Law graduate and has been associated with the Income Tax Department and retired as Chief Commissioner from the Income Tax Department of India. He is around 65 years of age and is M.A, LLB.

<b>Qualification</b>	M.A, LLB.
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<b>List of other Directorships:</b>	Nil
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<b>Chairman/Member of the Committee of the Directors of Paul Merchants Ltd:</b>	Member of Audit Committee
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<b>Chairman/Member of the Committee of the Directors Of other Companies</b>	Nil
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**Shareholding in the Company as on the date of this Report:** Holding NIL Equity  
 Shares either by himself or by any other person on his behalf